G. R. S. IX-5]

Previous references.

1917-18

File No. 78-17

Serial Nos. 4179

Later references.

LB. 101-21-(1-5+7-9)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

Part B for

SUBJECT.

To the President DC Bd Shimoga
No 4336 Dy 17 9-18.

I have definite instructions on the points
raised in the 1st above, viz (1) that the loan amount
should not be invested in a bank (2) that the highest
rate of interest at 5% should have effect from 2-9-17,
and (3) that, as regards the diversion of loan amount
for the construction of feeder lines, a

W D 58—GPB—50,000—24-7-16

G. R. S. III—1] 1917.

GENERAL AND REVENUE SECRETARIAT.

(48.)

NOTES.

File No. 78-17

FILE HEADING.

Shimoga District Board Railways

From

The President District Bd, Shimoga

No. H.C.48 Dated 7.3.18 Received 13-3-18

Diary No. 2185	Enclos.	Spare Copies.	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Requires, for reasons given, whether the subjects of Issues (iii), (iv) of Govt no. R.S. 910-15 Rog. 7 G. 216-17-18 dt 18.9.17 sanctg the Construction of a metre gauge Rly from Shimoga to Honalu, are matters to be placed before the District Bd for Consideration

NOTES AND ORDERS.

1) Incidentally the President wants the following 2 points also to be answered in this Connection with the Shimoga District Bd Rly debentures :—

(1) The Date from which the enhanced rate of interest at 5 p.c. is to be given to the shareholders & (2) whether as the result of investment of the amount of loan in a

NOTES—First Sheet.

WD 1232—GPB—20,000—18-11-15

G. R. S. 12]

General and Revenue Secretariat. | ds, File No. 78 of 1917

Serial No.

financed by Govt, the D^ty^ will not have anything to say against the proposal contd in para (3) of the Govt. order of Sept^r^ 1917 The d.c. may be asked to obtain a formal resolution in the matter

5) The enhanced rate of interest may be notified to the shareholders as being payable from the commencement of the half year subsequent to the date of the Govt. order

Surplus interest if any earned of the investment should go towards the revenue account of the R^y^. schemes if any are ready

6) Branch II may be consulted

Rev Sec^y^ 7) Yrs 22-3-18 — 21/3

H 2396 17

8) Branch II for favour of opinion

Sd 28/3 30 — 22/3

9) The order of Sept. 1917 has been modified by a later order issued in March 1918.

That portion of the order regarding the amount to be placed to the credit of Reserve fund is cancelled Please look up the later order and the file of papers in that connection

I.4.18

Branch IV

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat. | L.S. File No. 78 of 1917

Serial No.

L. dated)

(10) Fo. no. R.S. 2770-5 dy 15. 3. 18. (1)
Ry & G. 216-17-18
Cancelling the investment of the Amount in the Bank
(2) being the interest payable thereon to the debenture
holders, at 5 p.c until the money is utilized for
Ry. Construction work in the 8th, is passed.

(11) In the file of papers req^d. seems the one connected with the above order, the same will have to be obtained from the Ry. Secrett.

~~And passed~~

L.S. 3/4/18

WK 3/4

H 23967

(12) Draft Memo^d calling for the papers
dated
and WK 8/4

(13) Issue as p/c
18
9.4.18

* No ge 5767 dy 9/4

(14) Ry File 216-17 relating to the
F.O of 15th March 18 called
for by the Audtt Genl in connn
Supra is sent up & dated
back WK
17/4 (Draft) ~~Issue for favour of sign~~

Issd. the payment at 5%. 19.4.18
and the Shareholders will also pl-
interest at the rate. Money cannot
be invested in bank - Hence there

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S.

2185

(5

G. R. S. III-2)

General and Revenue Secretariat. | L.S. File No. 78 of 1917

Serial No.

H 2396-17

Re Secretariat file returned with Sepoy[illegible] Lines

Dec 1914

The refers are incomplete - The draft is not clear - Please submit in person on my return to Hd quarters with 2 copy of the prospectus of the loan issued by the Shimoga Dt Bd -

(146-14) 2 enclosing a copy of the prospectus

Noting on the Dc's allotment may be drawn & the letter issued.

17.4.18

(15) Subd with draft for approval & other orders

(16) There are 2 matters to be considered and it will not be merely to invite the attention of the D.C. & the order of 16th March 18 regarding payment of interest at enhanced rate.

It will be observed from a perusal of the prospectus that the loan was proposed & is raised on the clear understanding that the line was to be a joint concern between Govt. and the Distt Board and that the subscribers would have a lien on the entire line. Now not only is the Dt Bd itself altered but the entire responsibility for the whole line is thrown on the Dt Bd. Though the Dt Bd may agree to the new conditions and the new line, it is a point for consideration whether the persons who have subscribed till now on the basis of the original prospectus would care to accept the changed conditions. The Dt Bd should

NOTE—Contn. sheet.

W85 + 2823

G. R. S. III-2]

General and Revenue Secretariat. | L. B File No. 78 of 1917.

Serial No.	
	Consult the subscribers and in the case of such of those as do not agree to the new ~~Rate~~ Conditions the subscriptions will have to be refunded. The increased rate of interest can only be temporary and ~~may be given effect to~~ It would be better to issue a fresh prospectus for attracting additional capital. A complete draft is submitted for approval or orders. MK 7.5.18
1	Revised Draft)
	To be blamed from the P.W.D. Secy Cable to Govt for the High Commr Cabled (Copies of Secy's orders) = K 21/5/18.
2	From the Presdt., dt 3/2, Shemoga. No. H.C. 48 of 7.5.18 suggests in Cartn of Sl. 1, for reasons given, that the payment of Enhanced interest on the Victory 5½ Pct. Loan, may be guaranteed. upto 1922 as in the Case of prot of 5½ War Bonds.
	7) As what the President now wants is the issue of a cahm of P.O. no. Rs. 2770-2775 Pty. F.G. 216-17-18 of 15.3.18 a P.O seems necessary in lieu of the draft letter now proposed above. Subd K 21/5/18
	I don't understand this. The guarantee does not depend on the payment of interest at all.
	This Proposal cannot be accepted as it will preclude the commencement of the work

NOTE—Contn. sheet.

G. R. S. III-21

2825

General and Revenue Secretariat. | Genl. File No. 78 of 1917

Serial No.

LG)
The issue raised by the deputationists seems of minor importance and may be disposed of after orders are passed on the other points indicated in the draft sent

MK
21/5

Rev Secy)
(4) The Railway Secretary & the Financial Branch should again be consulted regarding the advisability of the draft. I think that this with, if agreed, be done

Bn.
23.5.18

256
25.5.18

2nd member)
—

(5) The proposed Committee should enquire & advise the lines to be followed

4
26/5
MM 27/5

H 30437

Financial Secy)
with compliments
Sent
21/5

Secy)
4/6

Para 3 - The higher rate should have effect from the date from which the S.B. rate has been raised

Para 4 - This is hardly necessary A notice

NOTE—Contn. sheet.

WD A 1799—GPE—60,000—20-3-18—S.

V.23

G. R. S. III-2]

General and Revenue Secretariat. | A. G. File No. 78 of 1917.

Serial No.

F 30143-17

by Dist. Board
may be warned, in the Gazette notifying the change & stating that if any subscriber has objn he may intimate within a prescribed period say a month so that his case may be suitably dealt with

M
9/6

15/6/18

for IV)

23) Subd- with the Fin Secy's observation
MBM
11/6/18

24) As regards the Fin. Secy's observation that the rate of interest should be increased from the date from which the Savings Bank rate has been raised it is submitted that the proposed change would clash with the orders already passed in G.O. dt 15.3.18 (Class A).

25) As regards the next remark made by Fin Secy if is submitted that the necessity of having to consult the subscribers has been recognised instead of securing further subscriptions on a prima facie incorrect prospectus it is perhaps desirable to issue a fresh prospectus as suggested in the draft.

26) If approved the views of the Dy Secy. should be obtained

MK
12/6

Rs/Secy)

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-3-18—S.

G. R. S. III-2

20-23

General and Revenue Secretariat.

Pt File No. 78 of 1917.

Serial No.

2) To financial Secretary with compliments, for favour of perusal of the note above.

8-6-18

7 Secy)

1.7.18

2) Seen. Date of first drawing of war loan is not a definite date. It may be made quite definite in the way suggested by me. The two dates are as noted in the margin.

3) I think the issue of a fresh prospectus quite unnecessary as all the terms remain the same. The closing of the prospectus once issued may give rise to misunderstanding.

12/7/18

Rev Secy)

18/7/18

Secy

18/7

19.7.18

Rev Secy) 3) Another draft in accordance with the views of the Fl Secy may be drafted & put up. I submit to 2nd member for his ref[e] to para 20.

20.8.17

GOVT. FINANCIAL BRANCH 1918

F 3043-17

30/7/17

Fin to file in the duplicate

1st Indian war loan - From 15.3.17 to 15.6.17 15.10.17.

Issue of 1st I.W. loan — 2.4.17.

NOTE—Contn. sheet.

2823

G. R. S. III-2

General and Revenue Secretariat. | KB File No. 78 of 1917.

Serial No.

Delay of 20 days in the submission of a simple draft should have been noted. Draft ~~dictated~~ returned for explanation.

MK 11/9

Noted. I shall be more careful in future.

11/9.

281 12-9-18

3 | 3171 Draft subd. Ref: para 30 above

6/9/18.

MK 11.9.18

2nd Member) 13.9

Please note his name in the ch & M. Copy of minute also to be noted

11 Issue 11/9

3 | To the ~~District~~ President DC. Bo. Shemoga

No. 4334 dt 17-9-18

Issues definite instructions on the points raised in Rs. 1 & 2 above, viz: (1) that the loan amount should not be invested in a bank, (2) that the higher rate of interest at 5½% shd have effect from 1-4-17, and (3) that, as regards the diversion of the loan amount for the construction of feeder lines, a notice may be issued &c-

explm. subd 18/9

B

NOTE—Contn. sheet.

1576 of 18

GPB—100,000—29-7-14

194

From

The President,

District Board, Shimoga.

To The Secretary to Government,

Revenue Department,

B a n g a l o r e.

Dated 2nd March 1918.

Despatched 7-3-18

Received

General No. [illegible] 48 (LB) 17-18

No.

Enclosure No.

Solicits instructions in the matter of obtaining District Board's views on the subjects referred to in para [illegible] annexure of Government order No. [illegible] 215/Ry F.D. 216-17-18 dated [illegible].

(11
D 2185/LB 78-17-1

(11

Office of the President,

No. H.C. 48 (LB) 17-18 District Board,

Dated Shimoga, the 7th March 1918.

From.

M.A.Narayana Iyengar, Esquire., B.A., B.L.,

President, District Board,

Shimoga.

To.

B.Ramaswamiya, Esquire., B.A., B.L.,

Secretary to Government of Mysore,

Revenue Department, Bangalore

Sir,

Adverting to ~~xxxxxxxxxxxxxxxx~~No.Government Order No. R.S.910-915/Reg F.G.216-17-18 dated 18th September 1917 B regarding the construction of a meterguage Railway from Shimoga to Arasalu, I have the honor to state that in para-III of the Order, the Government have directed the reservation of the loan raised by the District Board under Government Order No.309-13/Rv F 184-14-5 dated 19th August 1914 ~~xxxx~~ C for the opening of Arasalu Tirthahalli or other feeder lines in the District. But in the prospectus approved by Government ~~xxxxx~~ in their Order No.3119-22/L.B.146-14-2 dated 26th October 1914 & issued for the raising of a loan by the District Board it is mentioned that the loan will be raised for the construction of a narrow gauge Railway from Shimoga via Ayanur, Ripponpet & Ananthapur to Sagar with a branch from Ripponpet to Tirthahalli Under the circumstances I feel doubtful wether it is necessary to place the subject before the District Board and pass any resolution in the matter.

A There is a column in respect of Connectivity Vide II proposal required in the loan] letter

Further in para IV of the same Order it is directed that interest at 5 percent may be allowed till the amount is invested in a District Board Railway. In the prospectus issued regarding the raising of the loan only interest at 4 percent is promised. It is therefore a point for ~~xxx~~ decision as to when the increased

increased interest now allowed by Government may be given effect to.

In para V the amount is desired to be invested in a Bank. It is hoped the ~~interest~~ investment will ~~being~~ bring in more than 5 percent. If so, it is trusted the District Board will be given the benifit of the ~~extra~~ extra profit of the ~~interest~~. investment.

I therefore solicit instructions on the above points so that the matter may if necessary be placed before the District Board in their next meeting for formal approval.

I have the honor to be,

Sir,

Your most obedient servant,

~~for~~ President, District Board,

Shimoga,

(Absent from Head Quarters).

...R.

Fn 325 1/7

No. Rs 2770-2775 / Ry.F.G 216-17-18 dated 15th March 1918. 1/5

Proceedings of the Government of His Highness the Maharaja of Mysore.

Railway Department.

H V
18 MAR 1918
11975

Read.-

Government Order No.Fl.317-8/G.F.19-15-3 dated the 10th August 1915, sanctioning the payment of interest at 4 per cent on the collection received on account of Shimoga Railway loan until construction work commences.

2. Government Order No.R.S.310-315/Ry.F.216G-17-18 dated 18th September 1917 directing among other things

(i) that interest at 5 per cent may be allowed on the amount of loan raised by the Shimoga District Board till it is invested in a District Board Railway, and

(ii) that the amount of loan deposited may be invested in a Bank.

3. Letter No.BK.413 dated 4th October 1917 from the Comptroller of Mysore requesting reconsideration of the order of 18th September 1917 referred to above in regard to (1) the payment of interest and (3) the withdrawal of the amount for investment in a Bank.

ORDER No. Rs 2770-2775 / Ry.F.G 216-17-18 dated 15th March 1918.

After a reconsideration of the entire records of the case the Government of His Highness the Maharaja are pleased to order the following modifications in Government Order No. R.S.310-315/Ry.F.216G-17-18 dated 18th September 1917:-

(i) That the amount of loan raised by the Shimoga District Board for Railway Construction and paid into the Government Treasury should not be withdrawn therefrom and invested in a Bank;

(ii) that Government will pay 5 per cent interest on the amount raised and paid into the Treasury from the date of the Government of India War Loan, for a period of one year at a time, until the money is actually utilised for Railway Construction in the District and that the District Board in turn pay interest to the Debenture Holders at the above rate.

2. The District Board should be requested to collect the balance of the loan at an early date.

Ag. Secretary for Railways,
Government of Mysore.

To

The Secretary to Government, Financial Department. ×
The Comptroller of Mysore with reference to his letter No.DK.613 dated 4th October 1917.
The Comptroller of Mysore, Railways.
The Deputy Commissioner and President, Chitaldrug District Board.
The Agent, Mysore State Railways.
The Secretary, Railway Committee.

ALM.

× with two sketched sections (F.B. file No. 196-14 and G.T. 19-15).

GPB—100,000—29-7-1

1917-18.

From

The President,

District Board, Shimoga.

To

The Offg: Secretary to Government,

Revenue Department, Bangalore.

Dated 7th May 1918.

Despatched 01999 MAY 1918

Received

General No. Ag. 48 (2B) 17-18.

No.

Enclosure No.

Requests that a period may be fixed with regard to Railway Loan which may be fixed at 1922 subject to further renewal

The proposal is not clear.

MS

D 2823
HB 78 — 17 — 2
485 dm 915

15

Office of the President,
District Board,
Dated Shimoga, the 7th May 1918

No. H.C. 48 (L.B.) 17-18.

From.

M.A.Narayana Iyengar, Esquire., B.A., B.L.
President, District Board,
S h i m o g a.

To.

B.Ramaswamiva, Esquire., B.A., B.L.,
Offg: Secretary to Government of Mysore,
Revenue Department, B a n g a l o r e

Sir,

In continuation of this office No.H.C.48(L.B.)17-18 dated 25th February 1918 I have the honor to state that the Government in para I(ii) of their Order No.R.S.2770-2775/Ry F.G.216-17-18 dated 15th March 1918 have sanctioned the payment of interest at 5% on the Shimoga District Board Railway loan from the date of Government of India War Loan but it is allowed for a period of one year at a time. This necessitates the renewal of the order every year, which does not give sufficient impetus to share-holders to come forward with their further payment. In the case of Government of India War Bonds the interest is guaranteed up to 1920, 1922, 1929, & 1947. Similarly a period may be fixed with regard to Railway Loan which may be fixed at 1922 subject to further renewal if found necessary

I therefore request that the above point may also be considered along with those urged in this office No.H.C.48 and early instructions issued in the matter. Further call notices will be issued on receipt of definite instructions in the matter.

I have the honor to be,
Sir,
Your most obedient servant

M A Narayanaiyengar

P r e s i d e n t,
District Board, Shimoga

G. R. S. VI—G/321

B

SUBJECT Shimoga Dt Board Railway

Diary No. of letter replied to .. 2185 2823

Section LP
File No. 78-17
Serial No. 3

GENERAL AND REVENUE SECRETARIAT
(LB.)
, the 191

No. 4334 dt 17.9.18

Date of issue 17.9.18

Signed by [illegible]

To

The President,
Shimoga Dt. Board.

Sir,

Pol. & I.D.

I am directed to reply to your correspondence ending with your letter No. H.C. 48 (LB.) 17-18 dt 7-5-18 requesting orders on the following points in connection with the Railway loan raised by the Board:—

(1) Whether the Dt. Bd. would be allowed to enjoy the

over.

1

profit derivable by investing the loan amount in a bank at a rate of 1% interest higher than that payable to the Subscribers of the loan under the prospectus.

(2) From what date the increased rate of interest at 5 p.c may be paid to the subscribers

(3) Whether it is necessary to obtain the resolution of the Dt Bd to the diversion of the loan amount Rs 6 lakhs for the schemes of feeder runs as ordered in G.O. No. 910-915 Ry. 7. 9. 2161-18. dt 18. 9. 1917

With regard to (1), I am to state that the loan amount should not be invested in

List of enclosures.

Copied by

Examined by

WDS6—GPB—60,000—15-11-1

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

(By Tele Flag I)

on a bank as already directed
on G. O. No. R.S. 2770-2775
Rg. 7-G. 216-17-18 & 15-3-1918
and that the question of profit
to the Dt. Bd. by investment
in a bank will not therefore
arise at all

3. As regards point (2), the
higher rate of interest at
5 p.c. should have effect
from the date from which
the rate of interest ~~of the~~ on Savings
Bank deposits has been raised i.e. from
2nd April 1917.

4. As regards point (3) viz
the diversion of the war
amount for the construction
of feeder lines, a notice may
be issued by ~~the Dt.~~ Board
in the Gazette notifying
the change and stating
that if any subscriber has
objections he may intimate
~~the same~~ the same
within a prescribed period

GPB—20,000—7-7-14

— say, a month — so that the
case may be suitably dealt
with by the Dt Board

I have &c

MK
11/9/18
Secy to Govt.
Rev Dept

MJ
13.7

MK
10/9/18